



This document is scheduled to be published in the Federal Register on 12/19/2013 and available online at <http://federalregister.gov/a/2013-30119>, and on FDsys.gov

Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal Nos. 13-57]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 13-57 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: December 13, 2013.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

DEC 05 2013

The Honorable John A. Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 13-57, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to the Kingdom of Saudi Arabia for defense articles and services estimated to cost \$900 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,

For J. W. Rixey
J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology
4. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 13-57

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Kingdom of Saudi Arabia
Guard

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 899 million
Other	<u>\$ 1 million</u>
TOTAL	\$ 900 million

(iii) (Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 9,650 BGM-71 2A Tube-Launched, Optically-Tracked Wire-Guided (TOW) Radio-Frequency (RF) missiles, 4,145 BGM-71 2B Tube-Launched, Optically-Tracked Wire-Guided Aero RF missiles, 91 TOW-2A Fly-to-Buy missiles, 49 TOW-2B Fly-to-Buy missiles, containers, spare and repair parts, support equipment, tools and test equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering, logistics, and technical support services, and other related elements of logistics and program support.

(iv) Military Department: Army (ZAF, Amd #1)

(v) Prior Related Cases:

FMS case WGD - \$13M – 01 Nov 95
FMS case JBJ - \$12M – 28 Sep 90
FMS case WGK - \$54M – 27 Feb 01
FMS case WAI - \$92M – 15 Mar 10

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex.

(viii) Date Report Delivered to Congress: 5 December 2013

*as defined in Section 47(6) of the Arms Export Control Act.

POLICY JUSTIFICATION

The Kingdom of Saudi Arabia – Tube-Launched, Optically-Tracked Wire-Guided 2A/2B Radio-Frequency (RF) Missiles

The Kingdom of Saudi Arabia has requested a possible sale of 9,650 BGM-71 2A Tube-Launched, Optically-Tracked Wire-Guided (TOW) Radio-Frequency (RF) missiles, 4,145 BGM-71 2B Tube-Launched, Optically-Tracked Wire-Guided Aero RF missiles, 91 TOW-2A Fly-to-Buy missiles, 49 TOW-2B Fly-to-Buy missiles, containers, spare and repair parts, support equipment, tools and test equipment, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering, logistics, and technical support services, and other related elements of logistics and program support. The estimated cost is \$900 million.

The proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a critical partner who has been, and continues to be, an important force for political stability in the Middle East.

The proposed sale will support the Ministry of the National Guard's defense and counter-terrorism missions. The sale will also improve Saudi Arabia's capability to meet and defeat current and future threats from enemy armored vehicles. Saudi Arabia will use the enhanced capability as a deterrent to regional threats and to strengthen its homeland defense. Saudi Arabia, which already has TOW missiles in its inventory, will have no difficulty absorbing these additional missiles.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be Raytheon Corporation of Tucson, Arizona. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of additional U.S. Government or contractor representatives to the Kingdom of Saudi Arabia (KSA).

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 13-57

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The TOW 2B is a fly-over, shoot-down version with the actual missile flight path offset above the gunner's aim point. The TOW 2B flies over the target and uses a laser profilometer and magnetic sensor to detect and fire two downward-directed, explosively formed, penetrator warheads into the target. The TOW 2B has a range of 200 to 3750m. A Radio Frequency (RF) Data link replaced the traditional TOW wire guidance link in all new production variants of the TOW beginning in FY 07. No RF TOW AERO technical data will be released during program development without prior approval from the Office of the Deputy Assistant Secretary of the Army for Defense Exports and Cooperation. The hardware for the TOW 2B is Unclassified. Software for performance data, lethality penetration and sensors are classified Secret.

2. The Radio-Frequency (RF) TOW 2A is a direct attack missile designed to defeat armored vehicles, reinforced urban structures, field fortifications and other such targets. The TOW 2A RF can be launched from the same launcher platforms as the existing wire-guided TOW 2A missile without modification to the launcher. Both TOW 2A missiles (wire and RF) contain two tracker beacons (xenon and thermal) for the launcher to track and guide the missile in flight. Guidance commands from the launcher are provided to the missile by an RF link contained within the missile case. The hardware, software, and technical publications provided with the sale thereof are Unclassified. However, the system itself contains sensitive technology that instructs the system on how to operate in the presence of countermeasures. The highest level of classified information that can be disclosed by sale, testing or reverse engineering is Secret.

3. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures that might reduce weapon system effectiveness or be used in the development of a system with similar capabilities.

4. A determination has been made that the recipient country can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

[FR Doc. 2013-30119 Filed 12/18/2013 at 8:45 am; Publication Date: 12/19/2013]